# Saint Paul Planning Commission City Hall Conference Center 15 Kellogg Boulevard West

#### Minutes November 13, 2009

A meeting of the Planning Commission of the City of Saint Paul was held Friday, November 13, 2009, at 8:30 a.m. in the Conference Center of City Hall.

**Commissioners** Mmes. Donnelly-Cohen, Faricy, Lu, Morton, Porter, Smitten, Wencl; and

**Present:** Messrs. Alton, Johnson, Kramer, Nelson, Schertler, Spaulding, Ward, Wickiser.

Commissioners

Ms. \*Thao, and Messrs. \*Commers, \*Goodlow, \*Gordon, \*Margulies.

**Absent:** 

\*Excused

**Also Present:** Donna Drummond, Planning Director; Lucy Thompson, Patricia James, Amy

Filice, Penny Simison, Jessica Rosenfeld, Josh Williams, Craig O'Brien, Sarah Zorn and Sonja Butler, Department of Planning and Economic Development

staff.

I. Approval of minutes October 30, 2009.

<u>MOTION</u>: Commissioner Johnson moved approval of the minutes of October 30, 2009. Commissioner Wencl seconded the motion. The motion carried unanimously on a voice vote.

#### II. Chair's Announcements

Chair Alton announced that each of the commissioners received updated rosters with their contact information listed. One list is confidential and does not get released to the public, and the other is released to the public. He asked the commissioners to look them over to make sure their information is correct.

## **III.** Planning Director's Announcements

Donna Drummond announced the upcoming public roundtables for the Hamline, Victoria and Western Station Area planning. The roundtables are on Tuesday and Wednesday of next week. Next Wednesday at City Council there will be a resolution under consideration to approve a finance and spending plan for Central Corridor streetscape improvements.

IV. <u>Local Saint Paul Office Market and Regional Comparison</u> – Presentation by Skye Cook, Cushman and Wakefield; Rob Davis, NorthMarq Real Estate Services, LLC; and Jerry Driessen, CB Richard Ellis.

Matt Anfang from the Saint Paul Building Owners and Managers Association (BOMA) introduced the speakers. Mr. Anfang said that they would start with an overview of the Downtown market place for commercial real estate. BOMA represents building owners and

managers of residential, commercial and government properties, including buildings in downtown Saint Paul and the East Metro area. BOMA does an annual market report. The recently completed 2009 report was distributed to all the commissioners. This is BOMAs fifteenth annual market report and people in the industry use this as a marketing tool, and building owners and management use it to market their own properties.

Skye Cook, Cushman and Wakefield and Rob Davis, NorthMarq Real Estate did a joint presentation. Mr. Davis said since their last report there have been obvious changes that have taken place in the market, so he compared this year with years past. Ms. Cook says that Saint Paul is unique given the amount of government ownership of properties. The breakdown is 19% private owner-occupied, 31% is government-owned and occupied, which leaves the remaining 50% competitively leased, with ownership structures such as private investors, real estate investment trusts and pension funds. The amount of competitively owned space has decreased over the past decade by approximately 10% as both owner-occupied and government-owned properties have increased equally by 5% each. Mr. Davis said that there were no changes in the total overall occupancy in downtown, which remained at 90% occupied, but there were changes in the vacancy and occupancy amongst the various building classes of A,B and C, about which they gave more details.

Ms. Cook said that Saint Paul's status as the capital city and county seat is the reason why 31% of the total universe is government-owned. On October 9, 2009 Ramsey County closed on the acquisition of the Metro Square building and they will be moving out of the Ramsey County Government Center West building (formerly home of West Publishing) over the next year and a half, one department at a time. Once this is complete the West building on Kellogg Boulevard will be completely vacant. This property is not being actively marketed, but it is for sale.

Mr. Davis talked about how health care is the fastest growing employment sector in Saint Paul and now employs 32,500 people and is expected to grow to 43,000 people within five years. Saint Paul medical space totals nearly 3.5 million square feet and all together hospitals and clinics have a \$3.1 million dollar annual economic impact on the local economy.

Ms. Cook talked about the Central Corridor LRT line and said many suburban companies with upcoming lease expirations are taking a closer look at relocating to Saint Paul. The Central Corridor LRT line will begin at Union Depot station and connect with the Hiawatha line in Minneapolis. Utility relocation has already begun in preparation for construction of the line, which is scheduled to begin major construction in 2010 and be completed by 2014. The former Bremer Bank building located at Fifth and Cedar, next to the athletic club, is being acquired in order to accommodate the LRT's diagonal turn at Fourth and Cedar. The Union Depot will be refurbished to become a regional multi-modal transportation hub. On October 6, 2009 the Ramsey County Regional Railroad Authority voted unanimously to release a request for proposals to manage and design the construction of the project. The goal is to have the project up and running by 2012. A portion of the former Gillette site located at 310 East Fifth Street is planned to be the new operations and maintenance facility for LRT. The remainder of the site is being considered for a new outdoor municipal stadium, which would be home to the Saint Paul Saints baseball team.

Rob Davis introduced Jerry Driessen, Vice President of Brokerage, with CB Richard Ellis. Mr. Driessen's presentation provided an overview of market trends for the Twin Cities, the market overall, and how we compare to the other markets in the midwest.

Commissioner Ward said that with overall vacancies on the rise and given the cost of materials and construction, how will this affect future construction of new space?

Ms. Cook's response was that for any project that is in the market right now, all of the general contractors are hungry for work and will bid on a project even if there is no chance that they will get it. It is very competitive as far as building out office or industrial space.

Commissioner Schertler asked about the downtown parking supply and what amount of parking is needed per employee to meet market demands. He does not think it is 0.8 spaces per employee, like it would be in Burnsville. The availability of more transportation choices downtown would affect that.

Mr. Driessen said that two spaces per thousand square feet is very healthy for downtown and one per thousand is not bad either. Ms. Cook added that the building owners and landlords are doing very competitive leases right now. They are providing as many incentives as they can to get a deal done. She noted that if the City can provide any financial incentives, such as through the Strategic Investment Fund or with parking incentives, that this helps Saint Paul look more attractive when prospective tenants are weighing all their options

## V. Zoning Committee

SITE PLAN REVIEW – List of current applications. (Tom Beach, 651/266-9086)

One item to come before the Site Plan Review Committee was rescheduled from November 10<sup>th</sup> to November 17<sup>th</sup> – parking lot for Veolia Environmental Services at 309 Como. New temporary gravel parking lot with 20 spaces on a vacant lot that is currently paved with gravel.

#### **NEW BUSINESS**

<u>09-296-571 Duane Axtman</u> – Conditional Use Permit for auto repair. 336 Larpenteur Avenue West between Western and Farrington. (*Sarah Zorn*, 651/266-6570)

<u>MOTION</u>: Commissioner Morton moved the Zoning Committee's recommendation to approve the conditional use permit subject to additional conditions. The motion carried unanimously on a voice vote.

#09-301-356 Kenneth Brown – Conditional Use Permit for indoor recreation center. 1990 Suburban Avenue between Ruth and Burns. (Sarah Zorn, 651/266-6570)

<u>MOTION</u>: Commissioner Morton moved the Zoning Committee's recommendation to approve the conditional use permit subject to additional conditions. The motion carried unanimously on a voice vote.

#09-293-898 Semple Enterprises – Establish legal nonconforming use status for concrete and asphalt processing operation. 91 Ridder Circle. (*Josh Williams*, 651/266-6659)

<u>MOTION</u>: Commissioner Morton moved the Zoning Committee's recommendation for denial of the application to establish a legal nonconforming use.

Chair Alton announced that, given the staff recommendation of approval for the legal nonconforming use and the Zoning Committee's proposed resolution for denial of the legal nonconforming use, pursuant to Minnesota Statute Section 15.99, a roll call vote will be taken. Commissioners voting in favor of the resolution should state for the record the reason(s) for their vote.

<u>ROLL CALL VOTE</u>: The motion to approve the resolution carried on a roll call vote of 12-2 (Alton, Schertler) with 1 abstention (Spaulding).

## VI. Comprehensive Planning Committee

<u>Central Corridor – Draft Downtown Station Area Plan</u> – Recommendation to release draft plan for public review and schedule a public hearing. (*Lucy Thompson*, 651/266-6578 and Jessica Rosenfeld, 651/266-6560)

Lucy Thompson, PED staff, briefed the Commission on the draft *Downtown Station Area Plan*. The City Council has already adopted the *Central Corridor Development Strategy* and seven station area plans for University Avenue as part of the Comprehensive Plan; the *Downtown Station Area Plan* will likewise be adopted as a part of the Comp Plan. The Plan covers two of the three downtown LRT stations: Central Station at 4<sup>th</sup>/Cedar and Union Depot. Station area planning around the 10<sup>th</sup>/Cedar station will be handled through an update of the *Fitzgerald Park Precinct Plan*.

The *Downtown Station Area Plan* addresses the same four themes as the other station area plans: mobility, land use, built form and public realm. It also explores specific redevelopment opportunities along the downtown alignment, with several computer images of what development sites and the streetscape might look like with the addition of LRT. The Plan and planning process proved to be useful tools to resolve many issues raised by the Metropolitan Council regarding the design and location of the LRT line itself – e.g. the siting and design of the Operations and Maintenance Facility in Lowertown. Ms. Thompson called Commissioners' attention to the recommendation for a new Lowertown Master Plan, with a preliminary list of issues that might be addressed in such a plan. This recommendation is very important to Lowertown residents and businesses to address some outstanding issues in more detail.

Commissioner Spaulding asked whether the street connection to the proposed Trout Brook Boulevard is feasible given the change in grade. Ms. Thompson explained that, while no detailed engineering has been done yet, there has been no indication from Public Works staff that an interchange or cloverleaf connection will be necessary.

MOTION: On behalf of the Comprehensive Planning Committee's recommendation, Commissioner Ward moved to release the draft for public review and set a public hearing on December 18, 2009. Commissioner Lu seconded the motion. The motion carried unanimously on a voice vote.

#### VII. Neighborhood Planning Committee

<u>District 4 Plan Summary</u> – Adopt resolution recommending approval to the City Council. (*Penelope Simison*, 651/266-6554)

Commissioner Wencl announced that staff is still working on the District 4 Plan resolution and this matter is laid over to the next Planning Commission meeting on December 4, 2009. She also announced the agenda for the next Neighborhood Committee meeting at 3:30 p.m. on Wednesday, November 18, 2009.

No report.

Donna Drummond Planning Director

#### IX. **Task Force Reports**

Commissioner Wencl announced that on Tuesday, November 17, 2009 the Joint Airport Zoning Board will be meeting at 3:00 p.m.

Commissioner Spaulding announced that at City Council on Wednesday, November 18, 2009 ly

	1 0	mer Pedro Luggage property from the Pedro famil
Х.	Old Business	
	None	
XI.	New Business	
	None	
XII.	Adjournment	
	Meeting adjourned at 10:18 a.m.	
Sonja Planni	ded and prepared by Butler, Planning Commission Secretary ng and Economic Development Department, f Saint Paul	
Respec	ctfully submitted,	Approved

Marilyn Porter

(Date)

Secretary of the Planning Commission

Butler\planning commission\minutes\November 13, 2009